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Attorneys for Defendants  
 MB EQUIPMENT FINANCE, LLC AND  
 MB FINANCIAL BANK, N.A.

UNITED STATES BANKRUPTCY COURT  
 EASTERN DISTRICT OF CALIFORNIA  
 FRESNO DIVISION

In re  
 TULARE LOCAL HEALTHCARE  
 DISTRICT, dba TULARE REGIONAL  
 MEDICAL CENTER,

Debtor.

Taxpayer's Identification No. 94-  
 6002897

Address:  
 869 N. Cherry Street  
 Tulare, CA 93274

Case No. 17-13797

Chapter 9

DC NO.: AML-1

**ORDER APPROVING STIPULATION  
 RESOLVING IN PART AND CONTINUING  
 HEARING IN PART WITH RESPECT TO  
 MB EQUIPMENT FINANCE, LLC'S AND  
 MB FINANCIAL BANK, N.A.'S MOTION:  
 (I) TO DETERMINE THE AUTOMATIC  
 STAY IS INAPPLICABLE TO  
 PROCEEDINGS CONCERNING SEIZED  
 FUNDS; (II) FOR ADEQUATE  
 PROTECTION; AND (III) FOR RELIEF  
 FROM THE AUTOMATIC STAY**

Date: January 4, 2019  
 Time: 9:30 a.m.  
 Judge: Hon. Renè Lastreto II  
 Dept: B  
 Place: 2500 Tulare Street  
 Fresno, CA 93721  
 Courtroom 13

LAW OFFICES

RECEIVED

December 26, 2018

CLERK, U. S. BANKRUPTCY COURT  
 EASTERN DISTRICT OF CALIFORNIA  
 0006418413

1 The Court having reviewed the Stipulation Resolving in Part and Continuing Hearing in  
2 Part With Respect to MB Equipment Finance, LLC's and MB Financial Bank, N.A.'s Motion (the  
3 "**Motion**"): (i) to Determine the Automatic Stay is Inapplicable to Proceedings Concerning Seized  
4 Funds; (ii) For Adequate Protection; and (iii) For Relief From the Automatic Stay (the  
5 "**Stipulation**") entered into by and between Tulare Local Healthcare District dba Tulare Regional  
6 Medical Center (the "**District**"), Celtic Commercial Finance, a division of MB Equipment  
7 Finance, LLC ("**Celtic Finance**"), and MB Financial Bank, N.A. ("**MB**"), and collectively with  
8 Celtic Finance the "**MB Parties**" and together with the District, the "**Parties**"), by and through  
9 their respective counsel, and good cause appearing to approve the Stipulation without a hearing,

10 IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

- 11 1. The Stipulation attached hereto as Exhibit "A" is hereby approved.
- 12 2. The automatic stay in the District's bankruptcy case is hereby terminated as to the  
13 MB Parties to allow the MB Parties to immediately enforce all of their respective rights, remedies,  
14 and claims with respect the Seized Funds (as such term is defined in the Point and Authorities  
15 filed by the MB Parties in support of the Motion [Docket No. 921]), including, but not limited to,  
16 seeking to intervene in the underlying proceeding concerning the Seized Funds and seeking to  
17 assert any ownership interest in the Seized Funds under applicable law.
- 18 3. This Court's order grant relief from stay shall not constitute a determination by this  
19 Court that, but for the relief granted hereby, the automatic stay would, in any way, otherwise  
20 enjoin the MB Parties in the enforcement of their respective rights and remedies with respect to  
21 the Seized Funds.
- 22 4. The 14-day stay provided in Bankruptcy Rule 4001(a)(3) is hereby waived and this  
23 order is immediately effective upon entry.

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5. Except with respect to the relief from stay granted hereby, the hearing on the Motion is hereby continued to January 17, 2019, at 9:30 a.m. The District's opposition, if any, is due January 3, 2019, and the MB Parties' reply is due January 10, 2019. Except for the relief from stay granted hereby, the Parties the Stipulation shall not modify any of the Parties' respective rights and remedies.

Dated: Dec 27, 2018

By the Court

  
René Lastreto II, Judge  
United States Bankruptcy Court

Approved as to form by:

12/21/18

ALLEN MATKINS LECK GAMBLE  
MALLORY & NATSIS LLP  
MICHAEL S. GREGER

By: /s/ Michael S. Greger

MICHAEL S. GREGER  
Attorneys for Defendants  
MB EQUIPMENT FINANCE, LLC AND  
MB FINANCIAL BANK, N.A.

WALTER WILHELM LAW GROUP  
RILEY C. WALTER

12/21/18

By: 

RILEY C. WALTER  
Attorneys for TULARE LOCAL  
HEALTHCARE DISTRICT, DBA TULARE  
REGIONAL MEDICAL CENTER

EXHIBIT A

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5 Attorneys for Defendants  
 6 MB EQUIPMENT FINANCE, LLC AND  
 MB FINANCIAL BANK, N.A.

7  
 8 UNITED STATES BANKRUPTCY COURT  
 9 EASTERN DISTRICT OF CALIFORNIA  
 10 FRESNO DIVISION

11 In re

Case No. 17-13797

12 TULARE LOCAL HEALTHCARE  
 13 DISTRICT, dba TULARE REGIONAL  
 MEDICAL CENTER,

Chapter 9

DC NO.: AML-1

14 Debtor.

15 Taxpayer's Identification No. 94-6002897

16 Address:  
 869 N. Cherry Street  
 17 Tulare, CA 93274

**STIPULATION RESOLVING IN PART  
 AND CONTINUING HEARING IN PART  
 WITH RESPECT TO MB EQUIPMENT  
 FINANCE, LLC'S AND MB FINANCIAL  
 BANK, N.A.'S MOTION: (I) TO  
 DETERMINE THE AUTOMATIC STAY IS  
 INAPPLICABLE TO PROCEEDINGS  
 CONCERNING SEIZED FUNDS; (II) FOR  
 ADEQUATE PROTECTION; AND (III)  
 FOR RELIEF FROM THE AUTOMATIC  
 STAY**

Date: January 4, 2019

Time: 9:30 a.m.

Judge: Hon. Renè Lastreto II

Dept: B

Place: 2500 Tulare Street  
 Fresno, CA 93721  
 Courtroom 13

1 IT IS HEREBY STIPULATED AND AGREED by and between Tulare Local Healthcare  
2 District dba Tulare Regional Medical Center ("**District**"), Celtic Commercial Finance, a division  
3 of MB Equipment Finance, LLC ("**Celtic Finance**"), and MB Financial Bank, N.A. ("**MB**" and  
4 collectively with Celtic Finance the "**MB Parties**," and together with the District, the "**Parties**"),  
5 by and through counsel, as follows:

6 A. The District filed a voluntary petition for relief under chapter 9 of the Bankruptcy  
7 Code on September 30, 2017, before the United States Bankruptcy Court for the Eastern District  
8 of California (the "**Bankruptcy Court**"), commencing the above-captioned bankruptcy case (the  
9 "**Bankruptcy Case**").

10 B. On December 6, 2018, the MB Parties filed a Motion in the Bankruptcy Case: (i) to  
11 Determine Stay is Inapplicable to Proceedings Concerning Seized Funds; (ii) For Adequate  
12 Protection; and (iii) For Relief from the Automatic Stay [Docket Nos. 919, 920, 921 and 922, DC  
13 NO. AML-1] (the "**Motion**"). Among other things, as part of the Motion, the MB Parties  
14 requested an order from the Bankruptcy Court determining that the automatic stay under section  
15 362 of the Bankruptcy Code is not applicable to: (a) the evidentiary proceeding presently pending  
16 before the Tulare Superior Court to determine ownership of funds seized (the "**Seized Funds**")  
17 from Yorai Benzeevi, M.D. pursuant to a search warrant issued by the Tulare County Superior  
18 Court; and (b) any efforts by the MB Parties to assert ownership claims in and to recover the  
19 Seized Funds, or otherwise terminating the stay as to such issues, all as more thoroughly set for  
20 the in the Memorandum of Points and Authorities in Support of the Motion [Docket No. 921].

21 C. The Parties are presently discussing a potential resolution which could resolve the  
22 Motion in its entirety. In the interim, however, the District does not oppose the Court granting the  
23 MB Parties limited relief from stay such that, to the extent the stay is applicable, the MB Parties  
24 shall have immediate relief from the automatic stay to intervene in any proceeding concerning the  
25 Seized Funds and also to enforce any rights, remedies, or claims of ownership to the Seized Funds.

26 D. Except for the limited stipulation for relief from stay provided hereby, the Parties  
27 have agreed to continue the remainder of the Motion to January 17, 2019, at 9:30 a.m.

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**NOW, THEREFORE, IT IS HEREBY STIPULATED THAT:**

1. Upon the entry of an order approving this Stipulation by the Bankruptcy Court, the automatic stay in the District's bankruptcy case shall be terminated as to the MB Parties to allow the MB Parties to immediately enforce all of their respective rights, remedies, and claims with respect to the Seized Funds, including, but not limited to, seeking to intervene in the underlying proceeding concerning the Seized Funds and seeking to assert any ownership interest in the Seized Funds under applicable law.

2. The foregoing relief from stay shall not constitute a determination by the Bankruptcy Court that, but for the relief granted hereby, the automatic stay would, in any way, otherwise enjoin the MB Parties in the enforcement of their respective rights and remedies with respect to the Seized Funds.

3. The Parties each consent to the waiver of the 14-day stay provided in Bankruptcy Rule 4001(a)(3).

4. Except with respect to the relief from stay granted hereby, the Parties agree to the continuance of the Motion to January 17, 2019, at 9:30 a.m. The District's opposition, if any, is due January 3, 2019, and the MB Parties' reply is due January 10, 2019. Moreover, except for the relief from stay granted hereby, the Parties agree that the Stipulation does not modify any of their respective rights and remedies.

5. This Stipulation may be executed in counterparts, one or more of which may contain facsimile or electronic (in .pdf format) signatures, all of which shall constitute an agreement.

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1           6.       The Parties jointly request entry of an order approving this Stipulation and  
2 approving its terms.

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4 **IT IS SO STIPULATED:**

5 Dated: December 21, 2018

ALLEN MATKINS LECK GAMBLE  
MALLORY & NATSIS LLP  
MICHAEL S. GREGER

7  
8 By: /s/ Michael S. Greger

MICHAEL S. GREGER  
Attorneys for Defendants MB EQUIPMENT  
FINANCE, LLC AND MB FINANCIAL  
BANK, N.A

9  
10  
11  Dated: December <sup>21</sup>~~19~~, 2018

WALTER WILHELM LAW GROUP  
RILEY C. WALTER

12  
13  
14 By: 

RILEY C. WALTER  
Attorneys for TULARE LOCAL  
HEALTHCARE DISTRICT, DBA TULARE  
REGIONAL MEDICAL CENTER